

ORIGINAL

BEFORE THE  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WASHINGTON, D.C.

DEPT. OF TRANSPORTATION  
DOCKETS

2004 JUN 17 P 3:51

Application of

**BOSTON-MAINE AIRWAYS CORP.**

for issuance of an amended certificate of public  
convenience and necessity pursuant to 49 U.S.C. § 41102  
(Interstate Large-Aircraft Operations)

Docket OST-00-7668 - 50

**SUPPLEMENT NO. 11 TO  
APPLICATION OF  
BOSTON-MAINE AIRWAYS CORP.  
FOR AMENDED CERTIFICATE AUTHORITY**

Communications with respect to this document should be sent to:

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Attorneys for  
**BOSTON-MAINE AIRWAYS CORP.**

June 17, 2004

BEFORE THE  
DEPARTMENT OF TRANSPORTATION  
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June 17, 2004

**SUPPLEMENT NO. 11 TO  
APPLICATION OF  
BOSTON-MAINE AIRWAYS CORP.  
FOR AMENDED CERTIFICATE AUTHORITY**

Boston-Maine Airways Corp., d/b/a Pan Am Clipper Connection ("BMAC") hereby submits this Supplement No. 11 to the captioned application for the purpose of furnishing certain additional updated fitness information and exhibits, in response to a request by the Department's Fitness Division on June 14, 2004, and in compliance with Condition (2) of the specimen Certificate attached to Final Order 2003-2-24, served on February 28, 2003. Supplement No. 11 is hereby submitted in support of BMAC's request for expedited final action by the Department on BMAC's pending applications for authority to operate large aircraft in interstate services in this proceeding, and in foreign air transportation in Docket OST-03-14985.

1. Updated First-Year Projections.

In response to the June 14, 2004 request of the Department's Fitness Division, BMAC hereby submits its revised and updated first-year traffic, revenue and expense projections for its proposed interstate, foreign and combined operations (Exhibit BMA-S/11-1). A cash flow statement for those operations is contained in BMA-S/11-2

The principal adjustments in the foregoing updated projections consist of: (1) a 20 percent increase in fuel cost, based on recent jet fuel price increases, (2) a 6 percent reduction in General and Administrative Expense, reflecting reduced insurance and administrative expenses, and (3) a minor shift of revenue and expenses from domestic to international operations reflecting a small anticipated shift of flight operations from domestic to international services.

2. Final Pre-Operating Expenses and Working Capital Reserve.

BMAC's updated final list of pre-operating expenses paid to date and remaining to be paid was submitted in Exhibit BMA-S/10-5, filed May 20, 2004.

Evidence that BMAC possesses working capital reserves on hand or available to it in an amount sufficient to exceed the total of: (1) BMAC's remaining unpaid pre-operating expenses of \$869,000 and (2) one-quarter of BMAC's updated projection of its operating expenses expected to be incurred in its first year of large-aircraft scheduled-service operations, amounting to \$5,947,710, is contained in BMAC's Balance Sheet as of March 31, 2004 (Exhibit BMA-S/10-3). Third-party verification of BMAC's working capital as of March 31, 2004 is contained in Exhibit BMA-S/10-6, filed on May 20, 2004.

As shown in Exhibit BMA-S/11-3, the total of \$7,216,240 in working capital on hand and available to BMAC exceeds BMAC's total working capital requirement of \$6,816,710 by a surplus of \$399,530.

3. Liability Insurance Certificate.

A copy of a U.S. Air Carrier Certificate of Insurance on OST Form 6410, effective on June 14, 2004, evidencing the issuance of a policy of liability insurance coverage to BMAC, relating to both large-aircraft and small-aircraft operations, meeting or exceeding the requirements for certificated air carriers as stated in 14 CFR Part 205.5(b) of the Department's Economic Regulations, is set forth in Exhibit BMA-S/11-4, infra. The original of that Certificate has been filed with the Department's Office of Aviation Analysis.

4. Verification.

A Title 18 Certification in the form specified in 14 CFR Part 204.3(v), verifying the accuracy and completeness of the information contained in this Supplement and executed by a duly authorized officer of BMAC is set forth in exhibit BMA-S/11-5, infra.

5. Request for Issuance of an Effective Certificate.

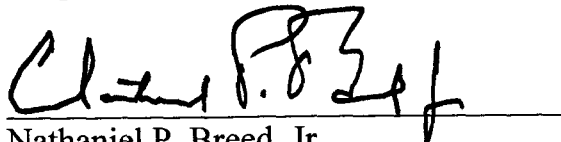
Except for the issuance of BMAC's amended Operations Specifications, which BMAC expects to receive on or about June 28, 2005, BMAC submits that the foregoing information and attached documents constitute a complete response to each of the requirements stated in Condition (2) in its Specimen Certificate attached to Order 2003-2-24.

Accordingly, BMAC respectfully requests the Department to issue two effective Certificates of Public Convenience and Necessity to BMAC authorizing it to provide

scheduled interstate and foreign air transportation, utilizing large aircraft in addition to its current small-aircraft operations, immediately following issuance of BMAC's amended Part 121 Operations Specifications, and without awaiting the passage of six (6) business days following the issuance of those Part 121 Operations Specifications.

WHEREFORE, BMAC requests the Department to issue an amended Certificate of Public Convenience and Necessity authorizing BMAC to provide interstate air transportation of persons, property and mail, utilizing both small and large aircraft, as requested in its pending application in this proceeding, and an amended Certificate of Public Convenience and Necessity authorizing BMAC to provide foreign air transportation of persons, property and mail utilizing both small and large aircraft, as requested in its concurrent pending application in Docket OST-03-14985.

Respectfully submitted,

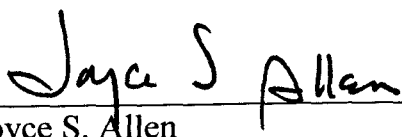
A handwritten signature in black ink, appearing to read "Nathaniel P. Breed, Jr.", written over a horizontal line.

Nathaniel P. Breed, Jr.

ZUCKERT SCOUTT & RASENBERGER L.L.P.  
Attorneys for  
BOSTON-MAINE AIRWAYS CORP.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing Supplement No. 11 to Application of Boston-Maine Airways Corp. by messenger, telecopier transmission, or United States mail, properly addressed and with postage prepaid, upon each of the persons listed in the Service List attached hereto.

  
\_\_\_\_\_  
Joyce S. Allen

Washington, D.C.  
June 17, 2004

BOSTON-MAINE AIRWAYS CORP.  
Index To Supplement No. 11 Exhibits

<u>Exhibit No.</u>	<u>Title of Exhibit</u>
BMA-S/11-1	Updated First-Year Projected Traffic, Revenue and Operating Expenses for Proposed Interstate, Foreign and Combined Interstate and Foreign Operations
BMA-S/11-2	Updated First-Year Cash Flow Statement for Proposed Interstate and Foreign Scheduled and Charter Operations
BMA-S/11-3	Updated Financial Fitness Test Analysis
BMA-S/11-4	Certificates of Insurance (OST Form 6410) effective June 14, 2004
BMA-S/11-5	Title 18 Certification of John R. Nadolny, Senior Vice President and General Counsel.

# Income / Expense Projections

## DOMESTIC OPERATIONS

	Domestic Routes												Total
	Month No. 1	Month No. 2	Month No. 3	Month No. 4	Month No. 5	Month No. 6	Month No. 7	Month No. 8	Month No. 9	Month No. 10	Month No. 11	Month No. 12	
L/F	141	132	144	132	144	132	136	144	136	140	140	136	1657
Pax	63%	63%	63%	63%	63%	63%	63%	63%	63%	63%	63%	63%	63%
Fare ew	\$ 12,525	\$ 11,725	\$ 12,791	\$ 11,725	\$ 12,791	\$ 11,725	\$ 12,080	\$ 12,791	\$ 12,080	\$ 12,436	\$ 12,436	\$ 12,080	\$ 147,185
Ttl Rev	\$ 98	\$ 98	\$ 104	\$ 104	\$ 106	\$ 106	\$ 106	\$ 110	\$ 110	\$ 110	\$ 115	\$ 115	\$ 107
	\$ 1,227,450	\$ 1,149,050	\$ 1,330,264	\$ 1,219,400	\$ 1,355,846	\$ 1,242,850	\$ 1,280,480	\$ 1,407,010	\$ 1,328,800	\$ 1,367,960	\$ 1,430,140	\$ 1,389,200	\$ 15,728,450
Expense													
Operations	81,833	76,924	84,287	76,924	84,287	81,783	79,378	84,287	79,378	81,882	81,733	79,378	972,074
Fuel	269,545	247,429	264,269	247,429	264,269	247,429	253,039	264,269	253,039	258,661	258,661	253,039	3,081,078
Tax & Fee	89,865	89,801	89,737	89,672	89,608	89,543	89,479	89,414	89,350	89,285	89,221	89,157	1,074,132
Ops. Support	12,918	8,085	13,835	11,085	13,835	12,918	12,002	13,835	12,002	12,918	12,918	12,002	148,353
Maint	94,245	94,245	94,245	94,245	94,245	94,245	94,245	94,245	94,245	94,245	94,245	94,245	1,130,940
S & M	40,418	38,201	41,527	38,201	41,527	40,418	39,310	41,527	39,310	40,418	40,418	39,310	480,585
Station	132,892	120,892	138,892	120,892	138,892	120,892	126,892	138,892	126,892	132,892	132,892	126,892	1,558,704
G & A	141,010	140,000	141,520	140,000	150,920	141,010	149,910	141,520	149,910	141,010	141,010	140,510	1,718,330
Totals	862,726	815,577	868,312	818,448	877,583	828,238	844,255	867,989	844,126	851,311	851,098	834,533	10,164,196
Profit / (Loss)	\$ 364,724	\$ 333,473	\$ 461,952	\$ 400,952	\$ 478,263	\$ 414,612	\$ 436,225	\$ 539,021	\$ 484,674	\$ 516,649	\$ 579,042	\$ 554,667	\$ 5,564,254



# Income / Expense Projections

## INTERNATIONAL OPERATIONS

	Month No. 1	Month No. 2	Month No. 3	Month No. 4	Month No. 5	Month No. 6	Month No. 7	Month No. 8	Month No. 9	Month No. 10	Month No. 11	Month No. 12	Total
	International Routes												
Revenue	64	64	64	64	64	64	64	64	64	64	64	64	768
L/F	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%
Pax	5,865	5,865	5,865	5,865	5,865	5,865	5,865	5,865	5,865	5,865	5,865	5,865	70,380
Fare ew	\$ 208	\$ 209	\$ 210	\$ 211	\$ 212	\$ 213	\$ 214	\$ 215	\$ 216	\$ 217	\$ 218	\$ 219	\$ 214
Ttl Rev	\$ 1,219,920	\$ 1,225,785	\$ 1,231,650	\$ 1,237,515	\$ 1,243,380	\$ 1,249,245	\$ 1,255,110	\$ 1,260,975	\$ 1,266,840	\$ 1,272,705	\$ 1,278,570	\$ 1,284,435	\$ 15,026,130
<b>Expense</b>													
Operations	109,267	109,267	109,267	109,267	109,267	109,267	109,267	109,267	109,267	109,267	109,267	109,267	1,311,204
Fuel	344,891	344,891	344,891	344,891	344,891	344,891	344,891	344,891	344,891	344,891	344,891	344,891	4,138,692
Tax & Fee	243,984	245,157	246,330	247,503	248,676	249,849	251,022	252,195	253,368	254,541	255,714	256,887	3,005,226
Ops. Support	17,247	17,247	17,247	17,247	17,247	17,247	17,247	17,247	17,247	17,247	17,247	17,247	206,964
Maint	125,839	125,839	125,839	125,839	125,839	125,839	125,839	125,839	125,839	125,839	125,839	125,839	1,510,068
S & M	53,966	53,966	53,966	53,966	53,966	53,966	53,966	53,966	53,966	53,966	53,966	53,966	647,592
Station	176,108	176,108	176,108	176,108	176,108	176,108	176,108	176,108	176,108	176,108	176,108	176,108	2,113,296
G & A	57,800	57,800	57,800	57,800	57,800	57,800	57,800	57,800	57,800	57,800	57,800	57,800	693,600
Totals	1,129,102	1,130,275	1,131,448	1,132,621	1,133,794	1,134,967	1,136,140	1,137,313	1,138,486	1,139,659	1,140,832	1,142,005	13,626,642
<b>Profit / (Loss)</b>	<b>\$ 90,818</b>	<b>\$ 95,510</b>	<b>\$ 100,202</b>	<b>\$ 104,894</b>	<b>\$ 109,586</b>	<b>\$ 114,278</b>	<b>\$ 118,970</b>	<b>\$ 123,662</b>	<b>\$ 128,354</b>	<b>\$ 133,046</b>	<b>\$ 137,738</b>	<b>\$ 142,430</b>	<b>\$ 1,399,488</b>

# Income / Expense Projections

## COMBINED DOMESTIC and INTERNATIONAL OPERATIONS

	Month No. 1	Month No. 2	Month No. 3	Month No. 4	Month No. 5	Month No. 6	Month No. 7	Month No. 8	Month No. 9	Month No. 10	Month No. 11	Month No. 12	Total
<b>International Routes</b>													
Revenue	64	64	64	64	64	64	64	64	64	64	64	64	768
L/F	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%	65%
Pax	5,865	5,865	5,865	5,865	5,865	5,865	5,865	5,865	5,865	5,865	5,865	5,865	70,380
Ave. Fare	\$ 208	\$ 209	\$ 210	\$ 211	\$ 212	\$ 213	\$ 214	\$ 215	\$ 216	\$ 217	\$ 218	\$ 219	214
Ttl Rev	\$ 1,219,920	\$ 1,225,785	\$ 1,231,650	\$ 1,237,515	\$ 1,243,380	\$ 1,249,245	\$ 1,255,110	\$ 1,260,975	\$ 1,266,840	\$ 1,272,705	\$ 1,278,570	\$ 1,284,435	\$ 15,026,130
ASM's	10,822,898	10,822,898	10,822,898	10,822,898	10,822,898	10,822,898	10,822,898	10,822,898	10,822,898	10,822,898	10,822,898	10,822,898	129,874,776
RPM's	7,034,884	7,034,884	7,034,884	7,034,884	7,034,884	7,034,884	7,034,884	7,034,884	7,034,884	7,034,884	7,034,884	7,034,884	84,418,604
<b>Domestic Routes</b>													
L/F	141	132	144	132	144	132	136	144	136	140	140	136	1,657
Pax	63%	63%	63%	63%	63%	63%	63%	63%	63%	63%	63%	63%	63%
Fare ew	12,525	11,725	12,791	11,725	12,791	11,725	12,080	12,791	12,080	12,436	12,436	12,080	147,185
Ttl Rev	\$ 98	\$ 98	\$ 104	\$ 104	\$ 106	\$ 106	\$ 110	\$ 110	\$ 110	\$ 110	\$ 115	\$ 115	107
ASM's	8,105,528	7,588,153	8,277,986	7,588,153	8,277,986	7,588,153	7,818,097	8,277,986	7,818,097	8,048,041	8,048,041	7,818,097	95,254,318
RPM's	5,106,483	4,780,536	5,215,131	4,780,536	5,215,131	4,780,536	4,925,401	5,215,131	4,925,401	5,070,266	5,070,266	4,925,401	60,010,220
<b>Combined</b>													
L/F	64%	64%	64%	64%	64%	64%	64%	64%	64%	64%	64%	64%	64%
Pax	18,390	17,590	18,656	17,590	18,656	17,590	17,945	18,656	17,945	18,301	18,301	17,945	217,565
Fare	\$ 133	\$ 135	\$ 137	\$ 140	\$ 139	\$ 142	\$ 141	\$ 143	\$ 145	\$ 144	\$ 148	\$ 149	141
Rev.	\$ 2,447,370	\$ 2,374,835	\$ 2,561,914	\$ 2,456,915	\$ 2,599,226	\$ 2,492,095	\$ 2,535,590	\$ 2,667,985	\$ 2,595,640	\$ 2,640,665	\$ 2,708,710	\$ 2,673,635	\$ 30,754,580
ASM's	18,928,426	18,411,051	19,100,884	18,411,051	19,100,884	18,411,051	18,640,995	19,100,884	18,640,995	18,870,939	18,870,939	18,640,995	225,129,094
RPM's	12,141,366	11,815,420	12,250,015	11,815,420	12,250,015	11,815,420	11,960,285	12,250,015	11,960,285	12,105,150	12,105,150	11,960,285	144,428,825
<b>Expense</b>													
Operations	191,100	186,191	193,554	186,191	193,554	191,050	188,645	193,554	188,645	191,149	191,000	188,645	2,283,278
Fuel	603,190	592,320	609,160	592,320	609,160	603,550	597,930	609,160	597,940	603,552	603,552	597,936	7,219,770
Tax & Fee	333,849	334,958	336,067	337,175	338,284	339,392	340,501	341,609	342,718	343,826	344,935	346,044	4,079,358
Ops. Support	30,165	25,332	31,082	28,332	31,082	30,165	29,249	31,082	29,249	30,165	30,165	29,249	355,317
Maint	220,084	220,084	220,084	220,084	220,084	220,084	220,084	220,084	220,084	220,084	220,084	220,084	2,641,008
S & M	94,384	92,167	95,493	92,167	95,493	94,384	93,276	95,493	93,276	94,384	94,384	93,276	1,128,177
Station	308,000	296,000	314,000	296,000	314,000	308,000	302,000	314,000	302,000	308,000	308,000	302,000	3,672,000
G & A	198,810	197,800	199,320	197,800	208,720	198,810	207,710	199,320	207,710	198,810	198,810	198,310	2,411,930
Totals	1,979,582	1,944,852	1,998,760	1,950,069	2,010,377	1,985,435	1,979,395	2,004,302	1,981,622	1,989,970	1,990,930	1,975,544	23,790,838
<b>Profit / (Loss)</b>	<b>\$ 467,788</b>	<b>\$ 429,983</b>	<b>\$ 563,154</b>	<b>\$ 506,846</b>	<b>\$ 588,849</b>	<b>\$ 506,660</b>	<b>\$ 556,195</b>	<b>\$ 663,683</b>	<b>\$ 614,018</b>	<b>\$ 650,695</b>	<b>\$ 717,780</b>	<b>\$ 698,091</b>	<b>\$ 6,963,742</b>

**BOSTON-MAINE AIRWAYS CORP.**

**Projected Cash Flow Statement  
Combined Domestic and International  
Large Aircraft Operations  
(000's)**

Month	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>
Beginning Cash	\$6,963	\$7,436	\$7,882	\$8,461	\$8,984	\$9,589	\$10,135	\$10,707	\$11,387	\$12,018	\$12,685	\$13,419
Profit/Loss												
Domestic	365	333	462	401	478	415	436	539	485	517	579	555
International	91	96	100	105	110	114	119	124	129	133	138	142
Depreciation	17	17	17	17	17	17	17	17	17	17	17	17
Ending Cash	\$7,436	\$7,882	\$8,461	\$8,984	\$9,589	\$10,135	\$10,707	\$11,387	\$12,018	\$12,685	\$13,419	\$14,133

Revised 06/15/04

BOSTON-MAINE AIRWAYS CORP.  
Updated Financial Fitness Test Calculation  
(Combined Interstate and Foreign Operations)

**Working Capital Requirement**

25% of First-Year Operating Expense	\$ 5,947,710	
Projected Unpaid Pre-Operating Expense	<u>869,000</u>	
<b>Total Working Capital Requirement</b>		<b>\$ 6,816,710</b>

**Working Capital**

Net Working Capital on Hand (3/31/04) (current assets less current liabilities)	\$ 7,216,240	
<b>Total Working Capital</b>		<b><u>\$ 7,216,240</u></b>
<b>Working Capital Surplus</b>		<b><u>\$ 399,530</u></b>

U.S. Department of  
TransportationOffice of the Secretary  
of Transportation

## AGENCY DISPLAY OF ESTIMATED BURDEN

The public reporting burden for this collection of information is estimated to average 30 minutes per response. If you wish to comment on the accuracy of the estimate or make suggestions for reducing this burden, please direct your comments to the Department of Transportation at the following address:

U.S. Department of Transportation  
Office of Aviation Analysis, X-66  
400 7th Street, SW.  
Washington, DC 20590

OMB No. 2108-0030 Expires 2-28-01

U.S. AIR CARRIERS  
CERTIFICATE OF INSURANCEPOLICIES OF INSURANCE FOR AIRCRAFT ACCIDENT BODILY INJURY  
AND PROPERTY DAMAGE LIABILITY

**FILING INSTRUCTIONS:** File an original of this form with the FAA, Air Transportation Div., AFS-200, 800 Independence Ave., SW., Washington, DC 20591. **NOTE:** If Block 2B on the reverse is filled in because the insured is an air taxi operator conducting scheduled passenger service (i.e., a commuter air carrier), file an original of this form with the Air Carrier Fitness Div., X-66, Office of Aviation Analysis, Dept. of Transportation, 400 7th St., SW., Washington, DC 20590.

(Please type information, except signatures.)

THIS CERTIFIES THAT: See Attached

(Name of Insurer)

Boston-Maine Airways Corporation

has issued a policy or policies of Aircraft Liability Insurance to

14 Aviation Avenue, Pease International Trade Port

FAA Certificate Number \_\_\_\_\_

Portsmouth, NH 03801

(Name, address and FAA Certificate number of insured U.S. Air Carrier)

effective from 6/14/04 until ten (10) days after written notice from the insurer or carrier of the intent to terminate coverage is received by the Department of Transportation.

**NOTE:** Part 205 of the Department's Regulations does not allow for a predetermined termination date, and a certificate showing such a date is unacceptable.

## 1. The Insurer (Check One):

- ☒ is licensed to issue aircraft insurance policies in the United States;  
☐ is licensed or approved by the government of \_\_\_\_\_ to issue aircraft insurance policies; or  
☐ is an approved surplus line insurer in the State(s) of \_\_\_\_\_

2. The Insurer assumes, under the policy or policies listed below, aircraft accident liability insured to minimums at least equal to the following during operation, maintenance, or use of aircraft in "air transportation" as that term is defined in 49 U.S.C. 40102.  
 (Complete applicable section(s) below):

## A. U.S. AIR TAXI OPERATORS WITH PART 298 AUTHORITY ONLY

The aircraft covered by this policy are SMALL AIRCRAFT (i.e., with 60 or fewer passenger seats or with a maximum payload capacity of 18,000 pounds or less). (Check separate or combined coverage as appropriate):

☐ Separate Coverages:

Policy No.	Type of Liability	Minimum Limit	
		Each person	Each Occurrence
	Bodily Injury Liability (Excluding Passengers)	\$ 75,000	\$300,000
	Passenger Bodily Injury	\$ 75,000	\$75,000 x 75% of total number of passenger seats installed in aircraft
	Property Damage		\$100,000

- ☐ Combined Coverage: This combined coverage is a single limit of liability for each occurrence at least equal to the required minimums stated above for bodily injury (excluding passengers), property damaged, and passenger bodily injury.

Policy No. \_\_\_\_\_ Amount of Coverage \_\_\_\_\_

- ☐ This policy covers CARGO operations only and excludes passenger liability insurance.

OST Form 6410

*Handwritten signature: Jenny*  
*Handwritten date: 6/15/04*  
*Handwritten initials: W. Keller*

**B. U.S. COMMUTER AND CERTIFICATED AIR CARRIERS OPERATING SMALL AIRCRAFT**

The aircraft covered by this policy are **SMALL AIRCRAFT** (i.e., with 80 or fewer passenger seats or with a maximum payload capacity of 18,000 pounds or less). (Check separate or combined coverage as appropriate):

☐ **Separate Coverages:**

Policy No.	Type of Liability	Minimum Limit	
		Each person	Each Occurrence
	Combined Bodily Injury (Excluding Passengers other than cargo attendants) and Property Damage Liability	\$300,000	\$2,000,000
	Passenger Bodily Injury	\$300,000	\$300,000 x 75% of total number of passenger seats installed in aircraft

- ☐ **Combined Coverage:** This combined coverage is a single limit of liability for each occurrence at least equal to the required minimums stated above for bodily injury (excluding passengers), property damaged, and passenger bodily injury.

Policy No. \_\_\_\_\_ Amount of Coverage \_\_\_\_\_

- ☐ This policy covers CARGO operations only and excludes passenger liability insurance.

**C. U.S. CERTIFICATED AIR CARRIERS OPERATING LARGE AIRCRAFT**

The aircraft covered by this policy are **LARGE AIRCRAFT** (i.e., with more than 80 passenger seats or with a maximum payload capacity of more than 18,000 pounds). (Check separate or combined coverage as appropriate):

☐ **Separate Coverages:**

Policy No.	Type of Liability	Minimum Limit	
		Each person	Each Occurrence
	Combined Bodily Injury (Excluding Passengers other than cargo attendants) and Property Damage Liability	\$300,000	\$20,000,000
	Passenger Bodily Injury	\$300,000	\$300,000 x 75% of total number of passenger seats installed in aircraft

- ☒ **Combined Coverage:** This combined coverage is a single limit of liability for each occurrence at least equal to the required minimums stated above for bodily injury (excluding passengers), property damaged, and passenger bodily injury.

Policy No. See Attached Amount of Coverage \$750,000,000

- ☐ This policy covers CARGO operations only and excludes passenger liability insurance.

**3. The policy or policies listed in this certificate insure(s) (Check One):**

Make and Model \_\_\_\_\_

FAA or Foreign Flag  
Registration No. \_\_\_\_\_

- ☒ Operations conducted with all aircraft operated by the insured  
☐ Operations conducted with the following types of aircraft:  
☐ Operations with the following aircraft: (Use additional page if necessary)

**4. Each policy listed in this certificate meets or exceeds the requirements in 14 CFR Part 205.**See Attached

(Name of Insurer)

**Thomas Gregory Associates Insurance Agency,**

(Name of Broker, if applicable)

**601 Edgewater Drive Suite 235 P.O. Box 555**

(Address)

**Wakefield, MA 01880-4555**

(City, State, Zip Code)

**Thomas I. Gregory, III CEO**

(Print or authorized representative)

**781-914-1000****81-246-2601**

(Area Code, Phone Number)

(Area Code, Fax Number)

Contact (person who can verify the effectiveness of the coverage)

(Area Code, Phone Number)

(Area Code, Fax Number)

(Signature, if applicable)

(Signature)

**June 11, 2004**

(Date)

(Date)

**SECURITY (the "Insurers")****As respects Liability Insurance:**

<b><u>Insurer</u></b>	<b><u>Policy Number</u></b>	<b><u>Percentage</u></b>
American Home Assurance Company Through American International Aviation Agency Atlanta, GA	AI 3587401-07	15 Percent
Underwriters at Lloyd's & Various Companies Through JLT Risk Solutions Limited London, England	L 50437469	85 Percent

**Several Liability Notice**

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.  
LSW 1001 (Insurance)





U.S. Department of  
Transportation

Office of the Secretary  
of Transportation

# AGENCY DISPLAY OF ESTIMATED BURDEN

The public reporting burden for this collection of information is estimated to average 30 minutes per response. If you wish to comment on the accuracy of the estimate or make suggestions for reducing this burden, please direct your comments to the Department of Transportation at the following address:

U.S. Department of Transportation  
Office of Aviation Analysis, X-56  
400 7th Street, SW.  
Washington, DC 20590

OMB No. 2105-0030 Expires 2-28-01

## U.S. AIR CARRIERS CERTIFICATE OF INSURANCE

### POLICIES OF INSURANCE FOR AIRCRAFT ACCIDENT BODILY INJURY AND PROPERTY DAMAGE LIABILITY

**FILING INSTRUCTIONS:** File an original of this form with the FAA, Air Transportation Div., AFS-300, 800 Independence Ave., SW., Washington, DC 20591. **NOTE:** If Block 2B on the reverse is filled in because the insured is an air taxi operator conducting scheduled passenger service (i.e., a commuter air carrier), file an original of this form with the Air Carrier Fitness Div., X-55, Office of Aviation Analysis, Dept. of Transportation, 400 7th St., SW., Washington, DC 20590.

(Please type information, except signatures.)

**THIS CERTIFIES THAT:** See Attached

(Name of Insurer)

Boston-Maine Airways Corporation

has issued a policy or policies of Aircraft Liability Insurance to

14 Aviation Avenue, Pease International Trade Port FAA Certificate Number \_\_\_\_\_  
Portsmouth, NH 03801 (Name, address and FAA Certificate number of Insured U.S. Air Carrier)

effective from 06/14/04 until ten (10) days after written notice from the insurer or carrier of the intent to terminate coverage is received by the Department of Transportation.

**NOTE:** Part 205 of the Department's Regulations does not allow for a predetermined termination date, and a certificate showing such a date is unacceptable.

#### 1. The insurer (Check One):

- ☒ is licensed to issue aircraft insurance policies in the United States;  
☐ is licensed or approved by the government of \_\_\_\_\_ to issue aircraft insurance policies; or  
☐ is an approved surplus line insurer in the State(s) of \_\_\_\_\_

#### 2. The insurer assumes, under the policy or policies listed below, aircraft accident liability insured to minimums at least equal to the following during operation, maintenance, or use of aircraft in "air transportation" as that term is defined in 49 U.S.C. 40102. (Complete applicable section(s) below):

##### A. U.S. AIR TAXI OPERATORS WITH PART 295 AUTHORITY ONLY

The aircraft covered by this policy are SMALL AIRCRAFT (i.e., with 60 or fewer passenger seats or with a maximum payload capacity of 18,000 pounds or less). (Check separate or combined coverage as appropriate):

##### ☐ Separate Coverages:

Policy No.	Type of Liability	Minimum Limit	
		Each person	Each Occurrence
	Bodily Injury Liability (Excluding Passengers)	\$ 75,000	\$300,000
	Passenger Bodily Injury	\$ 75,000	\$75,000 x 75% of total number of passenger seats installed in aircraft
	Property Damage		\$100,000

- ☐ Combined Coverage: This combined coverage is a single limit of liability for each occurrence at least equal to the required minimums stated above for bodily injury (excluding passengers), property damaged, and passenger bodily injury.

Policy No. \_\_\_\_\_ Amount of Coverage \_\_\_\_\_

- ☐ This policy covers CARGO operations only and excludes passenger liability insurance.

OST Form 8410



**B. U.S. COMMUTER AND CERTIFICATED AIR CARRIERS OPERATING SMALL AIRCRAFT**

The aircraft covered by this policy are SMALL AIRCRAFT (i.e., with 60 or fewer passenger seats or with a maximum payload capacity of 18,000 pounds or less). (Check separate or combined coverage as appropriate):

☐ Separate Coverages:

Policy No.	Type of Liability	Minimum Limit	
		Each person	Each Occurrence
	Combined Bodily Injury (Excluding Passengers other than cargo attendants) and Property Damage Liability	\$300,000	\$2,000,000
	Passenger Bodily Injury	\$300,000	\$300,000 x 75% of total number of passenger seats installed in aircraft

- ☒ Combined Coverage: This combined coverage is a single limit of liability for each occurrence at least equal to the required minimums stated above for bodily injury (excluding passengers), property damaged, and passenger bodily injury.

Policy No. See Attached Amount of Coverage \$300,000,000

- ☐ This policy covers CARGO operations only and excludes passenger liability insurance.

**C. U.S. CERTIFICATED AIR CARRIERS OPERATING LARGE AIRCRAFT**

The aircraft covered by this policy are LARGE AIRCRAFT (i.e., with more than 60 passenger seats or with a maximum payload capacity of more than 18,000 pounds). (Check separate or combined coverage as appropriate):

☐ Separate Coverages:

Policy No.	Type of Liability	Minimum Limit	
		Each person	Each Occurrence
	Combined Bodily Injury (Excluding Passengers other than cargo attendants) and Property Damage Liability	\$300,000	\$20,000,000
	Passenger Bodily Injury	\$300,000	\$300,000 x 75% of total number of passenger seats installed in aircraft

- ☐ Combined Coverage: This combined coverage is a single limit of liability for each occurrence at least equal to the required minimums stated above for bodily injury (excluding passengers), property damaged, and passenger bodily injury.

Policy No. \_\_\_\_\_ Amount of Coverage \_\_\_\_\_

- ☐ This policy covers CARGO operations only and excludes passenger liability insurance.

**3. The policy or policies listed in this certificate insure(s) (Check One):**

- ☐ Operations conducted with all aircraft operated by the insured  
☐ Operations conducted with the following types of aircraft:  
☐ Operations with the following aircraft: (Use additional page if necessary)

Make and Model

FAA or Foreign Flag  
Registration No.**4. Each policy listed in this certificate meets or exceeds the requirements in 14 CFR Part 205.**See Attached**Thomas Gregory Associates Insurance Agency, Inc.**

(Name of Insurer)

(Name of Broker, if applicable)

601 Edgewater Drive, Suite 235 P.O. Box 555

(Address)

Wakefield, MA 01880-4555

(City, State, Zip Code)

(City, State, Zip Code)

Contact (person who can verify the effectiveness of the coverage)

**Thomas I. Gregory, III CEO**

(Officer or authorized representative)

(Area Code, Phone Number)

(Area Code, Fax Number)

781-914-1000

(Area Code, Phone Number)

781-246-2601

(Area Code, Fax Number)

(Signature, if applicable)

June 11, 2004

(Date)

(Date)

SECURITY (the "Insurers")As respects Liability Insurance:

<u>Insurer</u>	<u>Policy Number</u>	<u>Percentage</u>
American Home Assurance Company Through American International Aviation Agency Atlanta, GA	AI 3387401-07	15 Percent
Underwriters at Lloyd's & Various Companies Through JLT Risk Solutions Limited London, England	L 50437469	85 Percent

Several Liability Notice

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.  
LSW 1001 (insurance)





**THOMAS  
GREGORY  
ASSOCIATES**  
INSURANCE AGENCY INC.

June 11, 2004

Ms. Kathy Tatum  
U.S. Department of Transportation  
Federal Aviation Administration  
800 Independence Avenue, S.W.  
Washington, DC 20591

**Re: Boston-Maine Airways, Corporation  
Certificate of Insurance Form 6410**

Dear Ms. Tatum:

We are pleased to enclose the original U.S. Air Carriers Certificate of Insurance Form 6410 evidencing Comprehensive Airline Liability Insurance for the policy period, June 14, 2004 through June 14, 2005.

Kindly review the enclosed documents and should you have any questions or if amendments are in order, please do not hesitate to contact our office.

Thank you.

Very truly yours,

Thomas Gregory Associates Insurance Agency, Inc.  
[www.thomasgregory.com](http://www.thomasgregory.com)

Enclosure

Post-It® Fax Note	7571	Date	6/15/04	# of pages	7
To	John Nadolny	From	Renée Hane		
Co./Dept.	0	Co.			
Phone #		Phone #			
	781-766-2094	Fax #			

[www.thomasgregory.com](http://www.thomasgregory.com)

601 EDGEWATER DRIVE, SUITE 285 • WAKEFIELD, MA 01880 • TEL 781-814-1000 • FAX 781-246-2601

**BEFORE THE  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WASHINGTON, D.C.**

Application of

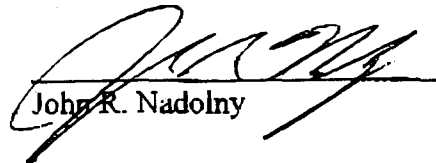
**BOSTON-MAINE AIRWAYS CORP.**

**Docket No. OST-00-7768**

for the issuance of a certificate of public convenience  
and necessity pursuant to 49 U.S.C. Sec. 41102  
(Interstate Large Aircraft Operations)

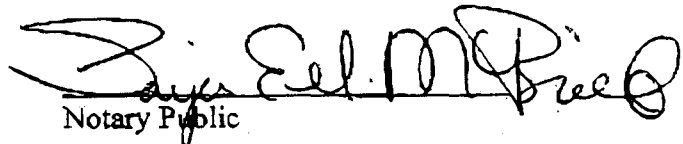
**CERTIFICATION**

Pursuant to Title 18 United States Code Section 1001, I, John R. Nadolny, in my individual capacity and as Senior Vice President, General Counsel and Secretary of the applicant, have not in any manner knowingly and willfully falsified, concealed or covered up any material fact or made any false, fictitious, or fraudulent statement or knowingly used any documents which contain such statements in connection with the preparation, filing or prosecution of this application. I understand that an individual who is found to have violated the provisions of 18 U.S.C. 1001 may be fined not more than \$10,000 or imprisoned not more than five years, or both.

  
John R. Nadolny

State of New Hampshire )  
County of Rockingham )

Subscribed and sworn to before me this 15<sup>th</sup> day of June, 2004.

  
Notary Public

SONJA E.M. McBRIDE, Notary Public  
My Commission Expires September 25, 2007

SERVICE LIST (Boston-Maine Airways Interstate)

Mr. Anthony Liguori, Manager  
Flight Standards District Office 5  
FEDERAL AVIATION ADMINISTRATION  
2 Al McKay Avenue  
Portland, ME 04102

Jerry D. Anker  
Russell Bailey  
AIR LINE PILOTS ASSOCIATION  
1625 Massachusetts Avenue, N.W.  
Washington, DC 20036

Please also serve responsive pleadings on:

John R. Nadolny  
Senior Vice President and  
General Counsel  
BOSTON-MAINE AIRWAYS CORP.  
Pease International Tradeport  
14 Aviation Avenue  
Portsmouth, NH 03801

Nathaniel P. Breed, Jr.  
ZUCKERT SCOUTT & RASENBERGER LLP  
888 17<sup>th</sup> Street NW Suite 700  
Washington DC 20006-3309